AMENDED IN ASSEMBLY APRIL 6, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 33

Introduced by Assembly Member Quirk

December 1, 2014

An act to add-and repeal Section Sections 38561.5-of and 38561.7 to the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

AB 33, as amended, Quirk. California Global Warming Solutions Act of 2006: scoping plan. Climate Change Advisory Council.

The California Global Warming Solutions Act of 2006 establishes the State Air Resources Board as the state agency responsible for monitoring and regulating sources emitting greenhouse gases. The act requires the state board to adopt a statewide greenhouse gas emissions limit, as defined, to be achieved by 2020 equivalent to the statewide greenhouse gas emissions levels in 1990. The act requires the state board to prepare and approve a scoping plan for achieving the maximum technologically feasible and cost-effective reductions in greenhouse gas emissions. The act requires the scoping plan to be updated at least once every 5 years.

This bill, until January 1, 2020, would require, for purposes of advising the update of the next scoping plan, the state board to develop specified information by July 1, 2016. The bill would require the state board on or before January 1, 2017, to submit a report to the appropriate committees of the Legislature on the specified information. The bill would provide that the specified information is intended to assist in establishing state policy and does not change any statute, regulation, or regulatory decision.

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This bill would establish the Climate Change Advisory Council in state government and would assign the council specified duties, including, among others, developing an analysis of various strategies to achieve the statewide greenhouse gas emissions limit. The bill also would require the state board to establish consistent metrics to accurately quantify reductions in greenhouse gas emissions, quantify public health benefits, and measure the cost-effectiveness of the various strategies identified by the council.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
 - (a) Climate change is a global emissions problem.
 - (b) California is responsible for approximately 1 percent of the world's global greenhouse gas emissions and, thus, needs to address the problem of climate change with a global perspective.
 - (c) Significant technological advances and major policy initiatives that can be deployed at scale in developed and developing countries will be necessary to transition away from fossil fuel as the primary fuel source to allow the developed and developing countries of the world to achieve low-carbon economic growth.
 - (d) It is in the best interest of the state to ensure that greenhouse gas *emissions* reduction goals are achievable by strategies that other states and countries could reasonably adopt.
 - (e) Demonstrating effective climate change policy can increase the likelihood that other states and countries will follow California's lead, which is necessary for the state to have a significant effect on the global climate change problem.
- 20 SEC. 2. Section 38561.5 is added to the Health and Safety 21 Code, to read:
- 22 38561.5. (a) The Climate Change Advisory Council is hereby 23 established in state government, and it shall consist of all of the 24 following:
 - (1) The chair of the state board, or his or her designee.
- 26 (2) The president of the Public Utilities Commission, or his or 27 her designee.

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(3) The chair of the governing board of the California Independent System Operator, or his or her designee.

- (4) The chair of the State Water Resources Control Board, or his or her designee.
- (5) The chair of the State Energy Resources Conservation and Development Commission, or his or her designee.
- (b) The council, as recommendations for inclusion in the scoping plan developed pursuant to Section 38561, shall complete all of the following:
- (1) Develop an analysis of various strategies to achieve the statewide greenhouse gas emissions limit, including, but not limited to, all of the following:
- (A) Strategies necessary for the energy grid to integrate a 40-percent, a 50-percent, and a greater than 50-percent standard as part of the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11) of Chapter 2.3 of Part 1 of Division 1 of the Public Utilities Code) in order to minimize and eliminate over-generation and the need for curtailment, including, but not limited to, all of the following:
- (i) Deepening regional coordination in the western interconnection.
 - (ii) Increasing energy storage.

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- (iii) Retrofitting existing baseload electrical generation facilities in order that they may perform as peaking electrical generation facilities.
- (iv) Using renewable energy generation facilities as peaking electrical generation facilities.
- (v) Allowing for very low-carbon-fossil-fuel peaking electrical generation facilities by deploying carbon capture and storage.
- (vi) Encouraging demand response through both of the following:
 - (I) Transitioning to time-of-use pricing for residential buildings.
- (II) Increasing customer access to real-time or near-real-time energy usage data.
- (B) Strategies to increase energy efficiency in both commercial and residential buildings, including, but not limited to, all of the following:
- 38 (i) Validating existing energy efficiency programs against actual energy usage data. 40
 - (ii) Optimizing heating and cooling systems.

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(iii) Transitioning to the electrification of buildings.

- (C) Strategies to advance the transportation sector, including, but not limited to, all of the following:
 - (i) Increasing the fuel economy of light-duty vehicles.
- (ii) Examining strategies for reducing emissions from heavy-duty vehicles, such as through the use of natural gas, biogas, and biodiesel.
- (iii) Increasing the market for low-carbon and very low-carbon fuels.
- (iv) Building electric vehicle infrastructure and low-carbon and very low-carbon vehicle infrastructure.
- (2) Develop an economic assessment using the best available economic models and data of the various greenhouse gas emissions reduction strategies required to achieve the statewide greenhouse gas emissions limit.
- (3) Develop an analysis of the benefits to the health, safety, and welfare of state residents, worker safety, the state's environment and quality of life, and any other benefits associated with the various greenhouse gas emissions reduction strategies to achieve the statewide greenhouse gas emissions limit.
- (c) The information developed pursuant to subdivision (b) is intended to assist in establishing state policy and does not change any statute, regulation, or regulatory decision.
- SEC. 3. Section 38561.7 is added to the Health and Safety Code, to read:
- 38561.7. The state board shall establish consistent metrics to accurately quantify reductions in greenhouse gas emissions, quantify public health benefits, and measure the cost-effectiveness of the various strategies identified by the Climate Change Advisory Council pursuant to Section 38561.5 in order to achieve the statewide greenhouse gas emissions limit.
- SEC. 2. Section 38561.5 is added to the Health and Safety Code, to read:
- 38561.5. (a) On or before July 1, 2016, for purposes of advising the update of the next scoping plan pursuant to subdivision (h) of Section 38561, the state board shall develop a proposal consistent with Sections 38550 and 38551 that includes all of the following:
- (1) A proposed goal that further reduces greenhouse gas emissions by 2040.

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(2) A proposed goal that further reduces greenhouse gas emissions beyond the 2040 goal by 2050.

- (3) A proposed goal for 2030 that includes all of the following:
- (A) An evaluation of the 2030 goal based on what policies and technologies can be scaled to the rest of the country and the world.
- (B) An economic assessment using the best available economic models and data of the various greenhouse gas emissions-reduction strategies required to achieve the 2030 goal. The economic assessment shall include a marginal cost analysis.
- (C) An analysis of the benefits to the health, safety, and welfare of state residents, worker safety, the state's environment and quality of life, and any other benefits associated with the various greenhouse gas emissions reduction strategies to achieve the 2030 goal.
- (D) The establishment of consistent metrics to accurately quantify reductions in greenhouse gas emissions, quantify public health benefits, and measure the cost-effectiveness of various policies and technologies.
- (b) (1) On or before January 1, 2017, the state board shall submit to the appropriate committees of the Legislature the information developed pursuant to subdivision (a).
- (2) A report to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code.
- (e) The information developed pursuant to subdivision (a) is intended to assist in establishing state policy and does not change any statute, regulation, or regulatory decision.
- (d) This section shall remain in effect only until January 1, 2020, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2020, deletes or extends that date.